

Congress of the United States
Washington, DC 20510

March 8, 2012

The Honorable Kathleen Sebelius
Secretary
U.S. Department of Health and Human Services
200 Independence Ave, SW
Washington, DC 20201

Dear Secretary Sebelius,

As the Ranking Member of the Senate Finance Committee and the Chairman of the House Energy and Commerce Committee, we are writing to get an update on the financial status of the Medicaid program. As you know, current law (42 USCA 1396 Note) requires you to submit a report to Congress that details the “financial status of, enrollment in, and spending trends for” the Medicaid program. This report is due on January 1 every year, and therefore, you have missed the statutory deadline by more than 60 days.

The information in this report, first released last year, is critical for Congress – and the American people. It contributes to our decision-making process concerning the health care entitlement program and health care spending more broadly. The President’s fiscal year 2013 Budget shows that the Federal government alone will spend nearly \$4.4 trillion on Medicaid over the next 10 years and that Medicaid spending as a percentage of our economy will increase by more than 35 percent through 2022. These statistics are alarming and unsustainable, especially given Washington’s record debt and deficit levels and the increasing burden on states to sustain their Medicaid programs. As we consider ways to address these challenges, it is essential to understand the underlying Medicaid spending trends and enrollment patterns. Providing this Medicaid Actuarial Report to Congress in a timely manner is not only an exercise in basic good governance, but it is required by law. We are disappointed that you have ignored this responsibility.

Please provide us the rationale for why HHS missed this deadline, where the actuarial report is in the process, and when we can anticipate the report be delivered to Congress as required under current law. We look forward to your response no later than March 16, 2012.

Sincerely,



Orrin G. Hatch
Ranking Member
Senate Committee on Finance



Fred Upton
Chairman
House Energy and Commerce Committee